

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3234-01
Bill No.: SB 928
Subject: Licenses-Motor Vehicles; Revenue Dept.
Type: Original
Date: February 10, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Highway Fund	(\$6,946)	\$1,250	\$1,250
Total Estimated Net Effect on <u>Other</u> State Funds	(\$6,946)	\$1,250	\$1,250

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$625	\$750	\$750

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Public Safety** and **Department of Transportation** assume this proposal would have no impact on their agencies.

Officials with the **Department of Revenue (DOR)- Division of Motor Vehicle and Drivers Bureau (DVSB)** assume this proposal could have fiscal impact on their agency.

The DVSB cannot determine the number of plates that could be issued as a result of this legislation. Therefore, the revenue impact is based on the issuance of 200 plates (100 per plate type). If the volume of applications for these plate types substantially exceed 100, the department may require additional appropriations.

DVSB notes that prior to 2002, specialty plates were developed, designed and provided to DOR by the Missouri Vocational Enterprises. The Missouri Vocational Enterprises recently contracted with a vendor to now provide all Missouri specialty plates. The costs will be shown for all specialty license plate bills accordingly.

ASSUMPTION (continued)

This contract requires DOR to pay:

- \$250 new plate design set-up fee
- \$50 per modification for a new plate design
- \$80 per revision to existing plate designs
- \$4.50 per plate for freight shipping to DOR

Additional postage is required to mail the plates from DOR to the offices.

DVSB assumes the following revenue for 100 plates issued:

	Highway	Cities	Counties
FY 05 (10 mo)	\$1,875	\$375	\$250
FY 06	\$2,250	\$450	\$300
FY 07	<u>\$2,250</u>	<u>\$450</u>	<u>\$300</u>
Total	\$6,375	\$1,275	\$850

DVSB assumes their agency could incur the following cost:

Procedures, Forms and Envelopes	=	\$ 905
Postage	=	\$ 1,447
Plates and Tabs	=	<u>\$ 1,248</u>
Total		\$ 3,600

To implement this legislation, DOR could require additional funds. In the past, the programs included in this legislation have been paid for with highway funds. This year, however, highway funds may not be available for this purpose as a result of legislation enacted by the General Assembly in 2000 that limit the use of highway funds.

This limitation is found in Section 226.200.3, RSMo. It places a cap on the highway funding available to state departments other than the Department of Transportation. The total amount of highway funds appropriated to these other state departments (including DOR) cannot exceed the total amount of their fiscal year 2001 highway appropriations. This cap limits the highway funds that will be available for the implementation of this legislation.

If highway funds are not available, then another source of funding must be identified to pay for the cost of implementing this legislation.

ASSUMPTION (continued)

Officials with **DOR- Information and Technology Bureau (ITB)** assume that implementing this proposal could require 180 hours of overtime programming to modify the special plate reservation program, the renewal pull program for fees and the Uniform Field Office System. There are also additional cost for storage at the state data center.

The additional costs for ITB are:

	FY 05 (10mo)	FY 06	FY 07
Programming salaries	\$4,221	\$0	\$0
Record Storage	\$1,000	\$1,000	\$1,000

This proposal could increase state revenue through plate fees.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
HIGHWAY FUND			
<u>Income-Department of Revenue</u>			
Plate Fees	<u>\$1,875</u>	<u>\$2,250</u>	<u>\$2,250</u>
<u>Cost- Department of Revenue</u>			
Programming- Salaries	(\$4,221)	\$0	\$0
Equipment and Expense	<u>(\$4,600)</u>	<u>(\$1,000)</u>	<u>(\$1,000)</u>
Total <u>Cost- DOR</u>	<u>(\$7,821)</u>	<u>(\$1,000)</u>	<u>(\$1,000)</u>
NET ESTIMATED EFFECT ON HIGHWAY FUND	<u>(\$6,946)</u>	<u>\$1,250</u>	<u>\$1,250</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
LOCAL FUNDS			
<u>Income-Cities</u>			
Plate Fees	<u>\$375</u>	<u>\$450</u>	<u>\$450</u>
<u>Income-Counties</u>			
Plate Fees	<u>\$250</u>	<u>\$300</u>	<u>\$300</u>
NET ESTIMATED EFFECT ON LOCAL FUNDS	<u>\$625</u>	<u>\$750</u>	<u>\$750</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.


DESCRIPTION

This act allows peace officers wounded in the line of duty, or surviving spouses, parents, brothers, sisters or children of a peace officer killed in the line of duty, to receive special license plates. The applicant shall pay \$15 in addition to regular registration fees. The plate shall bear the insignia depicting a yellow rose superimposed over the outline of a badge and shall bear the words "TO PROTECT AND SERVE". This act allows firefighters wounded in the line of duty, or surviving spouses, parents, brothers, sisters or children of a firefighter killed in the line of duty, to receive special license plates. The applicant shall pay \$15 in addition to regular registration fees. The plate shall bear the words "FIREFIGHTERS MEMORIAL".

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space

SOURCES OF INFORMATION

Department of Revenue
Department of Public Safety
Department of Transportation

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
February 10, 2004